AMENDMENTS TO THE CLAIMS

This listing of claims will replace all prior versions and listings of claims in the application:

LISTING OF CLAIMS:

1. (currently amended): A computer-implemented method for trading, between a buyer and a seller at an exchange, a futures exchange, an options exchange, or a futures and options exchange, the method being performed on a computer system, the method comprising:

receiving, by the computer system, first inputs from the buyer and seller corresponding to a standardized form of contract for trading at a price on which the buyer and the seller agree, the standardized form of contract having contract terms requiring the buyer and seller to settle based on a single final settlement price;

receiving, by the computer system, second inputs from the buyer and the seller at or prior to a first reference time wherein the second inputs include bid prices and offer prices for the standardized form of contract;

matching, in the computer system, the first inputs and the bid prices and the offer prices [[to]] and forming a contract[[s]] based, at least in part, on the matching; and

determining, in the computer system, said final settlement price as follows:

receiving, in the computer system, a first level of an underlying [[as]], the first level of the underlying being an actual value of the underlying actually observed at said first reference time prior to settlement of the contract, the first reference time determined in accordance with the contract terms, the underlying being a specified observable quantity ~~relating to an item~~ selected from a group consisting of a stock price, a commodity price, a financial asset price, a basket of financial assets price, a financial index value and a financial contract price;

receiving, in the computer system, a second level of said underlying, the second level of the underlying being the actual value of the underlying actually observed at a second reference time prior to settlement of the contract, the second reference time determined in accordance with the contract terms and being later than said first reference time; and

determining, in the computer system, in accordance with the contract terms, the single final settlement price at the settlement of the contract by reference to both said first level of the underlying and said second level of the underlying,

wherein the contract is available to trade before said first reference time.

2. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

zero, if said second level is less than or equal to a strike level; or

proportionally to the excess of said second level over said strike level, if said second level is greater than said strike level;

wherein said strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

3. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

zero, if said second level is less than or equal to a strike level; or

proportional to the excess of said strike level over said second level, if said second level is greater than said strike level;

wherein said strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

4. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

proportional to the excess of said second level over a call strike level, if said second level is greater than said call strike level;

proportional to the excess of a put strike level over said second level, if said second level is less than said put strike level; or

zero, if said second level is both less than said call strike level and greater than said put strike level;

wherein said call strike level is said first level subject to a multiplicative or additive adjustment, and said put strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

5. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

zero, if said second level is less than or equal to a strike level; or

proportional to the square of the excess of said second level over said strike level, if said second level is greater than said strike level;

wherein said strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

6. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

zero, if said second level is greater than or equal to a strike level; or

proportional to the square of the excess of said second level over said strike level, if said second level is greater than said strike level;

wherein said strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

7. (previously presented): The method of claim 1, wherein said final settlement price so determined, for a given said first level, is one of:

proportional to the square of the excess of said second level over a call strike level, if said second level is greater than said call strike level;

proportional to the excess of a put strike level over said second level, if said second level is less than said put strike level; or

zero, if said second level is both less than said call strike level and greater than said put strike level;

wherein said call strike level is said first level subject to a multiplicative or additive adjustment and said put strike level is said first level subject to a multiplicative factor, or a constant adjustment, or no adjustment.

8. (withdrawn): A method for facilitating trading, comprising:

a. establishing a standardized form of contract for trading at a price on which a buyer and a seller agree, and having terms under which the buyer is granted an option and the seller grants an option; and

b. at least prior to a first reference time, facilitating trading of contracts based on said standardized form of contract through an exchange, a futures exchange, an options exchange, or a futures and options exchange;

c. upon each valid exercise of said option by a buyer, facilitating the settlement associated with such exercise;

wherein said option is substantially either a call option, a put option, a straddle or a strangle over a quantity of a specified asset or other financial instrument, which the buyer may exercise during some specific time period(s), with strike price(s) (each) substantially the price of said specified asset or other financial instrument determined at or around said first reference time subject to a specified constant proportional and/or additive adjustment, if any; and

wherein said quantity is determined in accordance with the terms of the contract.

Claims 9-10. (canceled)

11. (previously presented): The method of claim 1:

wherein the trading is performed further utilizing telephone, internet, or a wide area network.

12. (currently amended): A computer system for receiving and processing trade order information for trading between a buyer and a seller the computer system being associated with

an exchange, a futures exchange, an options exchange, or a futures and options exchange, the computer system comprising:

an input interface for receiving inputs of data;

an output interface for providing outputs;

a processor for processing the data and generating the outputs; and

a memory for storing the data and computer programs,

wherein the computer system is adapted to performing a computer-implemented method comprising:

receiving, by the computer system, first inputs from the buyer and seller corresponding to a standardized form of contract for trading at a price on which the buyer and the seller agree, the standardized form of contract having contract terms requiring the buyer and seller to settle based on a single final settlement price;

receiving, by the computer system, second inputs from the buyer and the seller at or prior to a first reference time wherein the second inputs include bid prices and offer prices for the standardized form of contract;

matching, in the computer system, the first inputs and the bid prices and the offer prices [[to]] and forming a contract[[s]] based, at least in part, on the matching; and

determining, in the computer system, said final settlement price as follows:

receiving, by the computer system, a first level of an underlying [[as]], the first level of the underlying being an actual value of the underlying actually observed at said first reference time prior to settlement of the contract, the first reference time determined in accordance with the contract terms, the underlying being a specified observable quantity ~~relating to an item~~ selected from a group consisting of a stock price, a

commodity price, a financial asset price, a basket of financial assets price, a financial index value and a financial contract price;

receiving, by the computer system, a second level of said underlying, the second level of the underlying being the actual value of the underlying actually observed at a second reference time prior to settlement of the contract, the second reference time determined in accordance with the contract terms and being later than said first reference time; and

determining, in the computer system, in accordance with the contract terms, the single final settlement price at the settlement of the contract by reference to both said first level and said second level,

wherein the contract is available to trade before said first reference time.

Claims 13-14. (canceled).

15. (previously presented): The method of claim 1, further comprising:

settling trades by clearing, through a clearinghouse, the standardized contracts.

16. (currently amended): A computer readable medium embodying a set of computer-executable instructions, which, when executed by one or more processors of a computer system cause the one or more processors to perform a computer-implemented method for trading between a buyer and a seller to an exchange, a futures exchange, an options exchange, or a futures and options exchange;

wherein the computer-implemented method includes:

receiving, by the computer system, first inputs from the buyer and seller corresponding to a standardized form of contract for trading at a price on which the buyer and the seller agree, the standardized form of contract having contract terms requiring the buyer and seller to settle based on a single final settlement price;

receiving, by the computer system, second inputs from the buyer and the seller at or prior to a first reference time wherein the second inputs include bid prices and offer prices for the standardized form of contract;

matching, in the computer system, the first inputs and the bid prices and the offer prices [[to]] and forming a contract[[s]] based, at least in part, on the matching; and

determining said final settlement price as follows:

receiving, by the computer system, a first level of an underlying [[as]], the first level of the underlying being an actual value of the underlying actually observed at said first reference time prior to settlement of the contract, the first reference time determined in accordance with the contract terms, the underlying being a specified observable quantity ~~relating to an item~~ selected from a group consisting of a stock price, a commodity price, a financial asset price, a basket of financial assets price, a financial index value and a financial contract price;

receiving, by the computer system, a second level of said underlying, the first level of the underlying being the actual value of the underlying actually observed at a second reference time prior to settlement of the contract, the second reference time determined in accordance with the contract terms and being later than said first reference time; and

determining, in the computer system, in accordance with the contract terms, the single final settlement price at the settlement of the contract by reference to both said first level and said second level,

wherein the contract is available to trade before said first reference time.